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Message Text

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PAGE 01 SANTIA 07682 191914Z

44
ACTION EB-07

INFO OCT-01 ARA-06 EUR-12 ISO-00 SP-02 AID-05 NSC-05

RSC-01 CIEP-01 TRSE-00 SS-15 STR-01 OMB-01 CEA-01

COME-00 CIAE-00 INR-05 NSAE-00 L-02 FRB-01 /066 W
---------- 116040
R 191854Z DEC 74
FM AMEMBASSY SANTIAGO
TO SECSTATE WASHDC 1480
INFO AMEMBASSY BUCHAREST
AMEMBASSY BERLIN

C O N F I D E N T I A L SANTIAGO 7682

E.O. 11652: GDS
TAGS: EFIN, CI
SUBJECT: CHILE DEBT RESCHEDULING

REF: A) STATE 271018; B) SANTIAGO A-216 (NOTAL)

1. EMBASSY HAS BEEN ADVISED BY GOC EXTERNAL DEBT COORDINATOR THAT GOC SENT NOTES TO ROMANIA IN OCTOBER AND TO GDR (VIA EMBASSY OF FINLAND) PROPOSING PARIS CLUB TERMS AND 6 PERCENT CONSOLIDATED INTEREST RATE ON CHILEAN DEBTS FALLING DUE IN 1973-74. SO FAR THOSE COUNTRIES HAVE NOT RESPONDED TO GOC PROPOSAL. NEGOTIATIONS OF 1973-74 DEBTS TO USSR, HUNGARY AND BULGARIA STILL PENDING. SINCE DEBT TO POLAND ACCUMULATED UNDER BILATERAL CLEARING AGREEMENT INVOLVING
PERIODIC SETTLEMENT OF OUTSTANDING BALANCES AND DEBT TO CZECHOSLOVAKIA
ONLY NOMINAL AMOUNT, GOC DOES NOT CONSIDER PARIS CLUB TERMS APPLICABLE.

2. BECAUSE PARIS CLUB NEGOTIATIONS RESTRICTED TO GOVERNMENT AND GOVERNMENT-GUARANTEED DEBTS, GOC SIMILARLY DOES NOT CONSIDER DEBTS TO SOCIALIST BANKS AS SUBJECT TO PARIS CLUB TERMS. THUS, $15 MILLION 1973-74 GOC DEBT TO GDR FOREIGN TRADE BANK WAS RESCHEDULED SO THAT DEBT INSTALLMENTS FALL DUE SEMIANNUALLY WITH FINAL PAYMENT IN
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PAGE 02 SANTIA 07682 191914Z

1977. GOC PRESUMABLY WILL SEEK COMPARABLE TERMS ON OTHER

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

SOCIALIST BANK CREDITS WHEN NEGOTIATIONS--NOW STALLED MAINLY ON
POLITICAL GROUNDS--GET UNDERWAY.
POPPER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DEBT AGREEMENTS, DEBT REPAYMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974SANTIA07682
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740369-1013
From: SANTIAGO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741222/aaaaasmv.tel
Line Count: 64
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 74 STATE 271018, 74 SANTIAGO A-216
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 06 MAY 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <06 MAY 2002 by boyleja>; APPROVED <26 MAR 2003 by ElyME>
Review Markings:

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US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CHILE DEBT RESCHEDULING
TAGS: EFIN, CI
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

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